### 34.104 Contract clause.

Insert the clause at 52.234–1, Industrial Resources Developed under Defense Production Act, Title III, in all contracts for major systems and items of supply.

# PART 35—RESEARCH AND DEVELOPMENT CONTRACTING

Sec. 35.000 Scope of part. 35.001 Definitions. 35.002 General. 35.003 Policy 35.004 Publicizing requirements and expanding research and development sources. 35.005 Work statement. 35.006 Contracting methods and contract type. 35.007 Solicitations. 35.008 Evaluation for award. 35.009 Subcontracting research and development effort. 35.010 Scientific and technical reports. 35.011 Data. 35.012 Patent rights. 35.013 Insurance. 35.014 Government property and title. 35.015 Contracts for research with educational institutions and nonprofit organizations. 35.016 Broad agency announcement. 35.017 Federally Funded Research and Development Centers. 35.017-1 Sponsoring agreements. 35.017-2 Establishing FFRDC. 35.017-3 Using an FFRDC. 35.017-4 Reviewing FFRDC's. 35.017-5 Terminating FFRDC.

AUTHORITY: 40 U.S.C. 486(c); 10 U.S.C. Chapter 137; and 42 U.S.C. 2473(c).

35.017-7 Limitation on the creation of new

35.017-6 Master list of FFRDC's.

SOURCE: 48 FR 42352, Sept. 19, 1983, unless otherwise noted.

## 35.000 Scope of part.

FFRDC'S.

- (a) This part prescribes policies and procedures of special application to research and development (R&D) contracting.
- (b) R&D integral to acquisition of major systems is covered in part 34. Independent research and development (IR&D) is covered at 31.205–18.

[48 FR 42352, Sept. 19, 1983, as amended at 55 FR 3884, Feb. 5, 1990; 65 FR 36014, June 6, 2000]

### 35.001 Definitions.

Applied research means the effort that (a) normally follows basic research, but may not be severable from the related basic research; (b) attempts to determine and exploit the potential of scientific discoveries or improvements in technology. materials, processes. methods, devices, or techniques; and (c) attempts to advance the state of the art. When being used by contractors in cost principle applications, this term does not include efforts whose principal aim is the design, development, or testing of specific items or services to be considered for sale; these efforts are within the definition of development, given below.

Development, as used in this part, means the systematic use of scientific and technical knowledge in the design, development, testing, or evaluation of a potential new product or service (or of an improvement in an existing product or service) to meet specific performance requirements or objectives. It includes the functions of design engineering, prototyping, and engineering testing; it excludes subcontracted technical effort that is for the sole purpose of developing an additional source for an existing product.

Recoupment, as used in this part, means the recovery by the Government of Government-funded nonrecurring costs from contractors that sell, lease, or license the resulting products or technology to buyers other than the Federal Government.

[48 FR 42352, Sept. 19, 1983, as amended at 53 FR 27467, July 20, 1988; 55 FR 3884, Feb. 5, 1990; 66 FR 2132, Jan. 10, 2001]

# **35.002** General.

The primary purpose of contracted R&D programs is to advance scientific and technical knowledge and apply that knowledge to the extent necessary to achieve agency and national goals. Unlike contracts for supplies and services, most R&D contracts are directed toward objectives for which the work or methods cannot be precisely described in advance. It is difficult to judge the probabilities of success or required effort for technical approaches, some of which offer little or no early